

PRESS CONFERENCE WITH MAJORITY LEADER,

STENY H. HOYER

Tuesday, October 6, 2009

11:35 a.m.

Mr. Hoyer. Good morning. Thank you for being here. I am a little late because I just came from the Tom Lantos Foundation honoring the Dalai Lama, and had an opportunity to meet him this morning. And as you meet with the Dalai Lama, you understand that there are transcendent values that from time to time we focus on and understand our responsibility for, while at the same time talking about the details of how we exercise that democracy and freedom, which is, of course, the effort that we are about.

We are continuing to focus on ensuring that all Americans have health care insurance. The American people in the various polls that we see continue to support the effort to provide them with health assurance and availability of affordable, quality health care. Percentages vary from the middle 50s to as high as 70 depending upon how the question is asked. With the Senate Finance Committee vote this week, the closed committee action for five committees have now completed their action. Both in the Senate and in the House, we are in the process of putting together the various work products of those committees.

The key goals, obviously, are a provision of, as I said, health care assurance for people; lowering the costs of the long term, we call it bending the curve; and deficit neutrality. Those objectives, I think, are compatible. There are three objectives. Assurance of health care coverage and access to quality and affordable health care is one objective, making sure that we don't make the deficit worse and it is deficit-neutral, and that we bring the cost down over time.

The Governor of California issued a press release, I guess, today

in which he said our principal goal is, showing the growth and cost, enhancing the quality of care delivered, improving the lives of individuals and helping to ensure that a strong economic recovery are the same goals that the President is trying to achieve, meaning Governor Schwarzenegger's goals as well. I appreciate his partnership with the States and encourage our colleagues on both sides of the political aisle at the national level to move forward and accomplish these vital goals for the American people, those vital goals being revitalizing of our economy and the accomplishment of a meaningful reform for our people.

An article I called my colleagues' attention to and mentioned to you last week, I think, should resonate with us all. William Frist, an extraordinary surgeon from Tennessee, who also is liked in the Senate, became the Republican Leader in the United States Senate, was Majority Leader, said in that article dated September 28th, it is time for an individual health insurance mandate for minimum levels of health care.

We have handed you a handout indicating both statements by Tommy Thompson, former Secretary of Health and Human Services; by Bill Frist, which I have just quoted from; Governor Jindal of Louisiana, who says, I think now is the perfect time to pivot and to say not only here is what we are against, and not only here's how we are going to contrast ourselves, but here's what we're for.

I intend to be continuing conversations with our Republican colleagues. I expect to meet with Mr. Cantor on Thursday to determine what we can agree on and what Republicans can say therefor. This process has been longstanding. The President has engaged Republicans from the

very beginning on this effort. And now increasingly Republican leaders throughout the country are calling upon their Republican colleagues to do exactly that, to engage. In fact, my own view is that the reason we find Republican leaders indicating they are 80 percent in agreement, and that 80 percent, of course, as you know, as I have said before, is difficult to find, is because they know the American people want health care reform to succeed. They want it passed. They know that costs are unsustainable. They know they are at risk of losing the coverage they now believe they can count on. And they know that they are subsidizing very heavily those who do not have insurance and who therefore become less healthy and have to rely on the health care system to a greater extent.

The media continues to point out that the Republicans have been saying no for the better part of this year. Hopefully we can find agreement. Hopefully we can move forward in a bipartisan way.

Lastly, let me say in my opening on regulatory reform, Chairman Frank is moving ahead with hearings, and he expects to mark up a bill later this month. We expect to bring that bill to the floor next month. Regulatory reform is critically important as we take every effort we can to prevent a repeat of the failure of our financial system to self-regulate and the failure of the regulatory system to operate in a vigorous manner to assure the safety and soundness of our financial institutions, all of which led to the collapse of the financial industry in many respects and the worst recession, worst economic downturn we have had in three-quarters of a century.

I expect, as I say, to bring that legislation to the floor as soon as Mr. Frank and the committee have acted. And if there is any necessity for any other committee to look at that, obviously, after that occurs, we will bring it to the floor. We believe that is our responsibility; we believe it is essential.

Let me stop with that and try to answer some of your questions.

Q Leader Hoyer, the Senate has considered using H.R. 1586, a bill that already passed the House, to tax some bonuses received by TARP recipients as a shell to contain their -- to hold their health care bill; in other words, to amend 1586 to include their entire language of their health bill and then send it to the House. If that happens, will you rule out holding a direct vote on the Senate health care package in that form, which will send it to the President without amending it or sending it to conference?

Mr. Hoyer. Well, I won't rule it out or in because I don't know what that package is, nor does the Senate at this point in time. They still have the necessity to harmonize the health bill and the finance bill. So it would be premature for me to answer that question because I don't know exactly what form it is going to be in.

Having said that, obviously, the reason they are doing that, as you well understand, is because there are component parts of their bill that would need to be generated in the House. It would need to under the Constitution be initiated by the House. So that is a House bill, and that is a useful vehicle for them to use. But it would be premature to say whether I would support moving that as is at this point in time.

Q So it depends on the context of the bill, not the way they get it to the House.

Mr. Hoyer. Yeah. Constitutionally there are some reasons why it has to be a House bill; however, content will be critical in what action the House takes.

Q Mr. Leader, the Republicans will bring this week a motion to ask to force Chairman Rangel to step down as Chairman of the Ways and Means Committee, and they contend that the Majority party hasn't done what it said it would do when it came in in 2006, the Majority experiencing a lot of the same kinds of corruption problems that are happening to Democrats. What do you think?

Mr. Hoyer. I think the Republicans are trying to make an analogous situation that does not exist. If they bring such a motion, we will table it, and I expect it to be tabled. Chairman Rangel requested an investigation by the Committee on Official Conduct, Standards of Official Conduct. That committee is doing its work. As a matter of fact, unlike the past, contrast to the past, that committee, as you probably have seen, is issuing regular reports as to how it is proceeding, and that has been from the Chair Ms. Lofgren and the Ranking Member Mr. Boehner. So that it is clear that they have reported their proceeding with their work, and we ought to allow that work to continue and to be completed and receive their recommendations, and we will do that.

Q Mr. Leader, when do you expect to hear from the President on the war in Afghanistan, or the staff at the White House? Can you give us your latest thinking on whether or not a few debriefs might be helpful?

Mr. Hoyer. Well, as I said last week I want to hear from the President, certainly, but I also would like to hear from General McChrystal. I talked to Chairman of the Joint Chiefs of Staff, Admiral Mullen, and essentially he, too, wants to fully vet General McChrystal's assessment of the situation on the ground. Obviously it is tenuous. We lost eight lives just the other day, American soldiers. The Washington Post is running a major series on one particular soldier, but his unit as well, and the concerns that are reflected by whether or not we have a robust enough force and resources to accomplish the objectives we have set. That, I think, is going to be the President's focus.

As I said last week, I think the President is pursuing this in a thoughtful, measured way to try to come up with the right decision. Today I expect all of us to make our suggestions known, but I think we also want to learn what the President knows at that point in time with reference to General McChrystal's recommendations. I continue to believe and recommend that General McChrystal at some point in time in the relatively near future, before we make any determination as to what we should do, testify before the Congress and brief the Congress perhaps in an executive session if that is necessary, but also testify before the Congress all the way to the end.

Q Mr. Boehner and Mr. Cantor have not wasted many opportunities to complain that they have not been consulted either by the White House or by House leadership. Clearly you are going to be meeting with Mr. Cantor on Thursday, having a session telling him what is going on at the White House, and his having been invited to the White House. Do you

think first off there is any validity to their claim that they have not been --

Mr. Hoyer. On health care? You are talking about health care?

Q On health care and Afghanistan. Do you think there is any validity on the claim that they have not been consulted, and do you think that the events of today will silence them on that point?

Mr. Hoyer. The chances of the latter happening are zero. And you knew that before you asked the question. But I will say it for you. I do not -- I don't believe that Mr. Boehner's assertion is accurate. As I have told you, I think not you personally, but I have told this group on numerous times I have talked to Mr. Blunt, who is my good friend and with whom I have worked on many issues over the years, some 6 months ago with his health care staffer after he was selected by Mr. Boehner to be the Chair of their Health Task Force. I invited him to -- he and his staff to talk to Liz Murray on my staff, his staff, about individual proposals that they might have to reach consensus or to reach agreement maybe; not consensus, but reach agreement.

As I have told you, Mr. Blunt and I talked a couple of times about that issue, and we have not received a substantive proposal with reference to how we might move forward to reach agreement. My suspicion is because there is not nearly as much agreement as some would contend. I have not found the areas of agreement. Now, obviously there are insurance reforms that I think most everybody can agree to, particularly in light of the fact that insurance companies have said that they are going to agree to them, so it wasn't very difficult for people to say,

okay, we agree with them.

But we will continue to work towards agreement. That is one of the reasons I am meeting with Mr. Cantor on Thursday. As I read and as I know, Mr. Becerra has had discussions with Mr. Boustany. As I told you last week, I have not found the 80 percent yet, but I am still going to look.

Q Mr. Leader, the financing of the health care reform is largely premised on being able to achieve half a trillion dollars in savings in Medicare over the next 10 years. How can we be sure that these savings will actually come about? If they are so surefire, why haven't they been implemented before?

Mr. Hoyer. Well, because some of them are policy judgments, and, as you know, on reimbursement of Medicare Advantage. Others CBO does give a scoring on and believes that they can be effective. And there is discussion about mechanisms that if they are not accomplished, that we pursue other means. So sort of a trust but verify scenario.

Q Mr. Leader, administration officials including Larry Summers spoke this weekend about potentially a need for more stimulus was a big element, for an extension of COBRA subsidies. Perhaps we see unemployment [inaudible] that you guys passed already. They have talked about potential employer tax credit for hiring people.

Where are you on the need, given Friday's jobs figures, and I guess those in the elements --

Mr. Hoyer. Well, I was disappointed by Friday's jobs figures, as I believe everybody was. However, I am pleased that, as I have said, in

the last 3 months of the previous administration, we had an average of 650,000 lost jobs per month. Over the last 3 months we have had less than — about 250,000 average, 260— the month before, 260— or thereabouts this month, which was disappointing.

But Mr. Summers met on health care, but we briefly — last week — we briefly discussed the economy. And I think certainly some of the measures you mentioned there, for instance COBRA extension, are related to the continuing inability of people to find jobs, and therefore not being without health insurance, and the need to make sure that they have a bridge from their unemployment status to unemployment status and the ability to get insurance; or if, in fact, we ultimately provide some mechanism through health care reform in the short term, as the President proposed in his speech, for those who don't have insurance. But certainly they are under consideration and will continue as was the extension of unemployment benefits.

With respect to the broader question of tax and other efforts that we might take, the creation of jobs continues to be a major focus of the Democratic leadership and of the President, and I am sure of the Republicans, and we are considering a number of different areas where that might be helpful. My own view is, and I have expressed this a number of times, that I am not ready to consider a second stimulus. We are in the process of spending out the recovery and reinvestment funds. I think it has had a very positive effect. I think it has brought the loss of jobs down. The administration says that we would have lost over 1 million more jobs had we not adopted that. That is the

administration's contention. I think other economists agree with that.

So nobody can deny the fact that we have had a very substantial rise in confidence in the market because the market is up, all three indexes are up, and up substantially. And that indicates, I think, a confidence in people to invest and that net worth of companies is going to go up because the company has stabilized and is going up. I think those are positive signs. But we will have to, I think, keep under consideration the possibility of additional infusion of economic encouragement.

Q Mr. Hoyer, as you know, in the health care reform debate, concerns about affordability have kind of come to the fore. And in the Senate Finance Committee, there was an amendment lowering the hardship waiver so that fewer people will be insured. I wonder if you can comment on how those concerns affect the dynamic around the public plan. Is that an argument for the public plan?

Mr. Hoyer. Well, I think it is an argument for the public plan. But the broader argument, as you know, and the reason we are strongly for the public plan -- well, one of the reasons is because it does provide an alternative where others may not be available to people. It "fails safe," if you will. Secondly, we believe it adds to the competition and will help bring costs down. Not only will it bring costs down, we think, but it also will provide that private sector can assure themselves of offering benefits that are comparable to and accommodating of the public's needs.

So I think the answer to that question is yes, it does support, I

think, the alternative of a public option, which we think and I am confident we are going to pass through the House.

Q Do you feel like the dynamic on that is shifting?

Mr. Hoyer. Well, we are still pretty early in the Senate consideration to see where the votes are on the floor on the public option. Obviously some Democrats have expressed some reservations on that. I don't know that any Republican other than Olympia Snow has indicated any openness to that, which I think is unfortunate, but I think is a fact at this point in time, so I think we still have a little bit of time to go before we know that. And what I mean by that is they are going to put their bills together and then go to the floor, and we will see where the votes are.

Q I apologize for being late. Maybe this question was already asked. If the President turns to you -- are you on that meeting today at 2:30 -- and says, what do you think, Majority Leader Hoyer, do we need more troops; and what is the mission, what should our mission be in Afghanistan, do you agree with Ike Skelton, or do you agree with the Speaker, no more troops? Where are you?

Mr. Hoyer. Mark, I don't want to be flip, but I intend to give my advice and counsel to the President first, not all of you first. And I want to have a discussion around the table with that. I have some views, and I will probably express them at some point in time in the future after I meet with the President.

Q Mr. Leader, on that point, the Speaker said she doesn't think they are supporting, the country or the Congress, for more troops to be

sent to Afghanistan. Do you think that is the case?

Mr. Hoyer. I think that I will discuss my views with the President and then subsequently discuss them with all of you.

Q But I meant is there support in Congress? You are Majority Leader, you are the former whip. Are you talking about — is there support in Congress for more troops being sent?

Mr. Hoyer. Do I think there is support in Congress? Yes, I do think there is support in Congress, but that is not your question. Your question is is there a majority of support in the Congress. I don't know the answer to that question, but clearly there is support in Congress. I think this is a very, very thorny issue, and I think that it needs to be considered very carefully in the context of the objectives that we seek and the resources that we are prepared to apply to achieving that objective. I won't say more at this time, but that is my feeling.

Q Do you think that the President, though, has sort of made this his war regardless; that this was an operation that almost 8 years ago today that President Bush committed us to, and here we are 8 years later, and we're still there, and the President said, we need to take the focus off Iraq, we need to focus on Afghanistan, and now this is, quote, an Obama or a Democratic —

Mr. Hoyer. No, I think this was an effort by America, supported by an overwhelming number of our allies, to confront and respond to the terrorist acts that were directed against our country. We obviously were initially very successful. My view is we took our eye off the ball. We underresourced the effort that had almost unanimous support. As a result

of underresourcing that effort over the subsequent 7 years or 6-3/4 years, as a result of underresourcing it, we were not totally successful on eliminating the Taliban's ability to reconstitute itself, which obviously has happened. We were not successful on eliminating al Qaeda. And as a result, when President Obama took office, he had correctly observed that terrorism against the United States was planned, organized and launched from Afghanistan, and that Afghanistan was in many ways the center of terrorism; not the only center, there are literally scores of centers around the world. But having said that, the President said we need to deal with it, and he has been attempting to deal with that.

But this is an effort that, frankly, we should have succeeded on years ago, and the failure to focus fully on it, the failure to resource it properly, has led to the extraordinarily difficult situation that President Obama and the administration faces, and that Congress faces, and that the American people and the international community faces. We have got to make a determination as to what we need to do, can we succeed with the resources we apply, and are we prepared to exercise the resources.

Q If I missed a question like this before I arrived, I am sorry. On the public option we read reports about the Progressives whipping on a version of it, the Blue Dogs whipping on a version of it. Can you give us a sense of whether or not any consensus is being found on the public option on the House side, what it might look like, if you are going to definitely have one?

Mr. Hoyer. I think what you say is true. I think all people are

talking about the way they would like to see the option fashioned. That decision has not been made. We are talking about it. Obviously, you know, the Energy and Commerce dealt with it in one way, the Ways and Means and Education and Labor Committee dealt with it in another way, the Senate Finance Committee has dealt with it in a totally different way, and the Senate Health Committee dealt with it in a fashion similar to the Energy and Commerce. So those are the options on the table, one of the options being no public option.

But my view is, as I have said consistently, and I think the Speaker and I have both said the same thing to you, we think there is going to be a public option in the bill, and we are working on creating Majority support for how exactly that public option will be organized.

Q On the -- you mentioned Frist, Schwarzenegger, Tommy Thompson. Is that indicative to you that the united Republican opposition to the Democrats' legislation is cracking, and you might end up getting Republican votes?

Mr. Hoyer. I hope that is the case. And as I have said earlier, my supposition is the Republicans are listening to the public. They are hearing the public say, folks, the system that we have is not working the way it needs to work. Our premiums are going up at two or three or four times our salary. Our copays and deductibles are increasing very substantially. We are losing insurance. Our kids, when they go off our policies, can't get insurance. Preexisting conditions are killing us in terms of not being able to get coverage.

So my view is as this debate has gone on, I think initially the

Republicans thought that they were going to get some great political victory by telling the American people, we have again defeated health care reform. I think what they are hearing now is the American public will not, as I have said in the past, perceive that as their victory. It may be a political victory, but it would be a hollow victory. And if it is just going to be a Waterloo, it will not be a Waterloo for Mr. Obama, as Senator DeMint or Senator Kyl — Senator DeMint suggested, but a Waterloo for American families who want health care assurance.

Thank you very much.

[Whereupon, at 12:07 p.m., the press conference concluded.]